

Resolution No.:	<u>18-520</u>
Introduced:	<u>May 26, 2014</u>
Adopted:	<u>June 14, 2016</u>

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council at the request of the County Executive

SUBJECT: Maryland Economic Development Assistance Authority and Fund Loan to assist Rain King Software, Inc.'s expansion in Montgomery County (\$200,000)

Background

1. The County Executive endorses a conditional loan of \$200,000 to Rain King Software, Inc. ("Rain King") from the State of Maryland under the Maryland Economic Development Assistance Authority and Fund ("MEDAAF"), which is codified as Md. Code Ann., Econ. Dev. §§5-301-5-349.
2. MEDAAF provides conditional grants/loans to businesses engaged in eligible industries locating to or expanding in a "priority funding area" in the State of Maryland. Proceeds from the grants/loans may be used by the recipients/borrowers to reimburse for the acquisition or construction of buildings or real estate, and acquisition, construction and installation of machinery, equipment, furnishings, fixtures, leasehold improvements, site improvements, or infrastructure improvements.
3. The County has approved a conditional grant of \$100,000 from the County's Economic Development Fund ("EDF") to assist Rain King's expansion in the County (the "County Match") on February 26, 2016. This grant will be funded from the current EDF fund balance. Through this grant Montgomery County has met the requirement of financing a part of the costs of the project which is equal to at least 10% of the financial assistance to be provided from MEDAAF as required by the Section 5-319(d) of the Economic Development Article, Annotated Code of Maryland.
4. The State will disburse the MEDAAF loan to Rain King after the State enters a MEDAAF Agreement with Rain King. The County is not a party to the MEDAAF Agreement between the State and Rain King.
5. Rain King is a software developer that provides information to sales and marketing professionals mainly in the IT industry. The company provides sales intelligence on a fast-growing database of several hundred thousand technology and marketing buyers in

North America and Europe. Since inception in 2006, the company has been growing steadily. Total revenue for 2015 was reported to be \$21 million.

6. After evaluating sites in D.C., Bethesda and Northern Virginia, the company has recently signed a lease for the property located at 7700 Old Georgetown Road, Bethesda, Maryland with a total of 22,000 square feet. The total capital investment is estimated to be over \$1 million and the company plans to add an additional 66 full-time jobs in addition to its current 132 jobs in the County. This relocation/expansion project is consistent with the county's economic development strategic plan.
7. Md. Code Ann., Econ. Dev. § 5-319(d) requires the governing body of the jurisdiction in which the project is located to endorse, by a formal resolution, the granting of the MEDAAF loan for the project.
8. The County has determined that granting the MEDAAF loan for the project is in the best interest of the citizens of the County.
9. The County Executive requests that the Council adopt this formal resolution approving the MEDAAF loan for the project.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

The County Council hereby endorses the State's grant of a \$200,000 MEDAAF conditional loan to support Rain King Software, Inc.'s costs in connection with its relocation and expansion in Montgomery County.

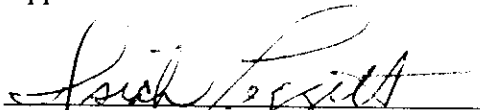
This Resolution is effective upon its adoption in accordance with applicable law.

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council

Approved:



Isiah Leggett, County Executive